

PREVAILED

Roll Call No. _____

FAILED

Ayes _____

WITHDRAWN

Noes _____

RULED OUT OF ORDER

HOUSE MOTION _____

MR. SPEAKER:

I move that Engrossed Senate Bill 332 be amended to read as follows:

- 1 Page 1, between the enacting clause and line 1, begin a new
- 2 paragraph and insert:
- 3 "SECTION 1. IC 6-1.1-20.5 IS ADDED TO THE INDIANA CODE
- 4 AS A **NEW** CHAPTER TO READ AS FOLLOWS [EFFECTIVE
- 5 JULY 1, 1999]:
- 6 **Chapter 20.5 Property Tax Rate Freeze Credits**
- 7 **Sec. 1. (a) A credit against a property taxpayer's net property**
- 8 **tax liability shall be provided under this chapter. The state board**
- 9 **of tax commissioners shall determine the following for each civil**
- 10 **taxing unit:**
- 11 (1) **The ratio of:**
- 12 (A) **the civil unit's 1999 actual levy for all funds subject to**
- 13 **the maximum permissible ad valorem property tax levy**
- 14 **controls under IC 6-1.1-18.5; divided by**
- 15 (B) **the civil unit's 1999 maximum levy for all funds subject**
- 16 **to the maximum permissible ad valorem property tax levy**
- 17 **controls under IC 6-1.1-18.5.**
- 18 (2) **The ratio of:**
- 19 (A) **the civil unit's current year actual levy for all funds**
- 20 **subject to the maximum permissible ad valorem property**
- 21 **tax levy controls under IC 6-1.1-18.5; divided by**
- 22 (B) **the civil unit's current year maximum levy for all funds**
- 23 **subject to the maximum permissible ad valorem property**
- 24 **tax levy controls under IC 6-1.1-18.5.**

(b) If the ratio under subdivision (a)(1) is one (1) or the ratio under subdivision (a)(2) is not greater than the ratio under subdivision (a)(1), the credit is equal to the difference in the net amount of ad valorem property taxes that would be due from the taxpayer for all civil taxing unit funds subject to the maximum permissible ad valorem property tax levy controls under IC 6-1.1-18.5 that exceed the amount that would be due from the taxpayer if the net property tax rates effective for property taxes first due and payable in 1999 were used.

(c) If the ratio under subdivision (a)(2) is greater than the ratio under subdivision (a)(1), the credit shall be determined as follows:

STEP ONE: If the civil taxing unit's current year rate is:

(A) not greater than the 1999 rate that would have resulted in the maximum levy being imposed by the civil taxing unit in 1999, determine the net amount of ad valorem property taxes that would be due from the taxpayer for all civil taxing unit funds subject to the maximum permissible ad valorem property tax levy controls under IC 6-1.1-18.5 using an ad valorem property tax levy for the current year that equals:

(i) the civil taxing unit's maximum ad valorem property tax levy under IC 6-1.1-18.5 for the current year; multiplied by

(ii) the ratio under subdivision (a)(1); or

(B) greater than the 1999 rate that would have resulted in the maximum levy being imposed by the civil taxing unit in 1999, determine the net amount of ad valorem property taxes that would be due from the taxpayer for all civil taxing unit funds subject to the maximum permissible ad valorem property tax levy controls under IC 6-1.1-18.5 using the actual ad valorem property tax levy for the current year.

STEP TWO: If the civil taxing unit's current year rate is:

(A) not greater than the 1999 rate that would have resulted in the maximum levy being imposed by the civil taxing unit in 1999, determine the net amount of ad valorem property taxes that would be due from the taxpayer for all civil taxing unit funds subject to the maximum permissible ad valorem property tax levy controls under IC 6-1.1-18.5 by applying the net property tax rate effective for property taxes first due and payable in 1999; or

(B) greater than the 1999 rate that would have resulted in the maximum levy being imposed by the civil taxing unit in 1999, determine the net amount of ad valorem property taxes that would be due from the taxpayer for all civil taxing unit funds subject to the maximum permissible ad

1 valorem property tax levy controls under IC 6-1.1-18.5 by
 2 applying the 1999 net property tax rate that would have
 3 resulted in the maximum levy being imposed by the civil
 4 taxing unit in 1999.

5 **STEP THREE: Determine the result of:**

6 (A) the STEP ONE result; minus

7 (B) the STEP TWO result.

8 **Sec. 2. Before March 1 of each year, each county auditor shall**
 9 **certify to the state board of tax commissioners and provide the**
 10 **amount of property tax rate freeze credits allowed for each**
 11 **property taxpayer in that county for that calendar year. Before**
 12 **March 15, the state board of tax commissioners shall certify the**
 13 **amount of credits allowed to the property tax replacement fund**
 14 **board. The credits shall be certified in the same manner as**
 15 **property tax replacement credits are determined under**
 16 **IC 6-1.1-21.**

17 **Sec. 3. Each year the property tax replacement fund board shall**
 18 **allocate to the department of state revenue an amount equal to the**
 19 **total amount of tax credits that are provided under this chapter for**
 20 **each county for that year in the same manner as the homestead**
 21 **credits are allocated from the property tax replacement fund under**
 22 **IC 6-1.1-21.**

23 **Sec. 4. (a) The department of state revenue shall distribute to**
 24 **each county treasurer from the state general fund the estimated**
 25 **distribution for that year for the county at the same time and in the**
 26 **same manner as the homestead credit distributions are made under**
 27 **IC 6-1.1-21.**

28 **(b) Money in the property tax replacement fund is annually**
 29 **appropriated to make the distributions. All distributions provided**
 30 **in this section shall be made on warrants issued by the auditor of**
 31 **state drawn on the treasurer of state.**

32 **Sec. 5. To the extent it is consistent with this chapter,**
 33 **IC 6-1.1-21 applies with respect to the credit under this chapter."**

34 Renumber all SECTIONS consecutively.

(Reference is to ESB 332 as printed April 6, 1999.)

Representative Thompson